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FIRE DEPARTMENT

Interim Deputy City Clerk Report to Mayor and City Council
2019.11.29, Edition No. 362

Bi-Weekly Update:

- Attached is the Project Team Meeting Notes – November 20, 2019.
- Attached is the Analysis of Regional Economy document from Bi-State.

PROJECT MEETING NOTES – November 20, 2019

1. Phase IVB – West Hill Sewer Separation:

Phase IVB work includes general construction of approximately 2,600' of new 8" and 24" sanitary sewer on West Eighth Street, Sycamore Street, Iowa Avenue, and Pine Street. In addition it includes approximately 2,000' of new 15" through 30" storm sewer on West Eighth Street, Chestnut Street, and Fuller Street. Water main replacement includes approximately 2,900' of new 6" through 10" main. The following work is also included: new inlets, inlet piping, full-width pavement removal and replacement, sidewalk construction, seeding, filling and grading at the ravine fill site at the west end of Sixth Street.

Contractor: KE Flatwork

Bid Amount: \$2,407,510.60

- a. Work Accomplished:
 - 1) Paved all alley tie-ins
 - 2) Paved all sidewalks
 - 3) Paved all driveways
 - 4) Completed all boxouts
 - 5) Working on courtesy walks
- b. Upcoming Work
 - 1) Coring out Linn/8th
 - 2) Pour temporary pavement at Linn/8th
 - 3) Continue working on courtesy walks
 - 4) Remove and replace one section of sidewalk
 - 5) Continue backfill
 - 6) Initiate cleanup
 - 7) Begin punch list
- c. Council Action: Extend Substantial Completion via Change Order to November 22nd
- d. Remove all traffic control signs
- e. **Open 8th Street to traffic on Wednesday, November 27th**

2. Riverside Park Master Plan:

The Master Plan update features the riverfront as an asset, promotes additional recreational activities, supports community wellness and continues to promote Muscatine's downtown as an opportunity for Investment.

- a. "Almost Friday Fest"
 - 1) MUSCO/MPW proposal for lighting

- b. Facilitate Master Plan Development
 - 1) Beer Garden
 - 2) Truck Vendors
 - 3) Entertainment Area
 - 4) Riverview Center/Papoose Pump Station
 - 5) Tiered Amphitheater
 - 6) Riverfront Demountable Floodwall
 - August 16, 2019 Survey by Martin-Whitacre
 - Awaiting Preliminary Report
 - CP Rail contributing funds for study
- c. Winter 19/20 – begin In-Depth Discussion on Implementation
- d. Bridge Light Repairs
 - 1) Memo sent to Jim Berns at MUSCO (10/10/19)
 - 2) Resend Memo to Jim Berns

3. Grandview Ave. Reconstruction Project:

- a. Plans completed
- b. Property Acquisition Underway
 - 1) Three (3) remaining
 - 2) November 26th: Final Plans deadline to DOT
 - 3) Need this completed to meet schedule
- c. Alliant relocating utility at this time
- d. DOT determination – Archaeological consultation
- e. Schedule:
 - 1) December 10, 2019: Contract Turn-In to DOT
 - 2) December 17, 2019: Public Meeting (5:30 @ WPCP)
 - 3) January 2, 2020: Set Public Hearing
 - 4) January 16, 2020: Public Hearing
 - 5) January 16, 2020: Resolution Approving Plans & Specs
 - 6) February 18, 2020: DOT Bid Letting
 - 7) March 5, 2020: Award Contract
 - 8) March 19, 2020: Approve Contract & Bond
 - 9) April 2020: Begin Work

4. 2nd Street Streetscape Project:

- a. Leadership Muscatine included in proposed sound system
- b. Reconstruct Iowa/Sycamore/Cedar intersections
- c. Focus on sidewalk design
- d. Keep street repairs to a minimum
- e. Make street parking adjustments

- f. Basement/chutes locations and construction part of specifications
- g. Tentative Schedule: 2020 Construction
 - 1) November 7, 2019: Set Public Hearing
 - 2) November 21, 2019: Public Hearing
 - 3) December 5, 2019: Resolution Approving Plans & Specs
 - 4) January 9, 2020: Bid Letting
 - 5) January 16, 2020: Award Contract
 - 6) February 6, 2020: Approve Contract & Bond
 - 7) April/May 2020: Tentative Construction Start
- h. Facade Program Proposed for Businesses
 - 1) Façade is considered front of building
 - 2) \$50K Budget
 - 3) \$15K assistance per applicant
 - 4) Match program feature
 - 5) Administratively: Construction element and Building permit element
 - 6) March 1, 2020: Selection process for applicants
- i. Establish Meeting schedule with business/property owners
 - 1) Coordinate property improvements with 2nd St. Construction Project
 - 2) Explain Façade Program
 - 3) Explain Small Business Loan Program

5. 2nd & Mulberry Roundabout:

The 2nd & Mulberry Roundabout project consists of the reconstruction of the intersection of Mulberry Avenue and East 2nd Street intersection as a roundabout. Construction primarily includes pavement removal, excavation, concrete paving, subdrains, granular subbase, underground utility improvements, concrete pavers, and streetscape amenities.

Contractor: Heuer Construction

Bid Amount: \$2,114,738

- a. Schedule – Building(s) removal:
 - 1) October 2019: HNI owned building demolition (Valley Construction)
- b. Schedule – 2nd Mulberry Construction
 - 1) November 26, 2019 - Issue Partial Notice to Proceed
 - 2) December 5, 2019: Memo of Understanding Approval with HNI property
 - 3) Winter Construction start: After January 1, 2020
 - 4) Underground work – duct bank and storm sewer
 - 5) Above ground – pavement removal
- c. Pre-Con Meeting: November 20th
- d. Tentative Completion – Spring 2020

6. Westside Trail:

The Westside Trail project will construct a 1.26 mile graded and paved pedestrian and bike trail from approximately the southwest corner of Hershey Ave. at S. Houser St., parallel N. Houser Street to the north side of Crossroads Inc. property, then turn directly west to Discovery Park utilizing a permanent easement across the Crossroads Inc. and Brian St. or Lori Wolfe properties.

Contractor: Heuer Construction

Bid Amount: \$1,221,380.28

a. Work Accomplished:

- 1) Clearing and Grubbing
- 2) Topsoil removal
- 3) 6" rock base being placed
- 4) Excavation of trail alignment underway
- 5) Traffic Control in place
- 6) SWPPP submitted
- 7) Silt Fence Installed
- 8) Staking trail for Paving

b. Upcoming Work:

- 1) Forming and Paving: American Legion to Hershey
- 2) Retaining wall excavation
- 3) Continue Topsoil removal
- 4) Continue clearing & grubbing
- 5) Continue rock base placement

7. DOT Lake Park Blvd. Site:

- a. RFQ (Request for Qualifications): preliminary design and cost estimate underway
- b. Winter 19/20: Screen and select preferred Engineering Firm
- c. 2020 Design
- d. 2020/21 Construction

8. Old Library Site:

- a. City to consider development options
- b. Winter 19/20 discussion needed
- c. 2020 City Goals

9. 2019 Full Depth Program:

The 2019 PCC Full Depth Patch Construction Project consists of constructing P.C. Concrete curb and gutter, full depth patching, driveways, sidewalks and handicap ramps at Houser, Lake Park Blvd., University Dr.

Contractor: Heuer Construction

Bid Amount: \$919,875

- a. University Dr. completed
- b. Lake Park Blvd. completed
- c. 75% Complete
- d. Fulliam – Spring 2020
- e. Sidewalk on Lake Park Blvd underway
- f. Emergency repairs scheduled
- g. Spring 2020: Construction completed

10. City Hall Security:

- a. Recommended doors identified

11. Phase V – West Hill Sewer Separation Design:

- a. Survey:
 - 1) Remaining Field Work – Lucas St. East of 8th (95% completed)
 - 2) Office CAD work – 50% completed
 - 3) Completion Target goal: Late October/Early November
 - 4) Filing issues
 - 5) Question: Ongoing utility ownership/construction on Lucas
- b. Design Considerations:
 - 1) Lining or replacing 200' of Lower West Branch Sewer
 - 2) Televising any existing lines in West Hill #5
 - 3) Easements for sanitary sewer through ravine (rough estimate by December)
 - 4) Trail along Greenwood Cemetery side???
 - 5) Green infrastructure:
 - Permeable paver parking on Lucas
 - Inlet tree boxes
 - 6) City concepts on street intersections
- c. Design submittals Tentative Schedule:
 - 1) Next PMT meeting – December 19th, 10:00 a.m., PW
 - 2) Concept Design (30%) – End of March 2020

- 3) Concept Design Cost Estimate – April 2020
- 4) Preliminary Design (65%) – August/September 2020
- 5) PreFinal (95%) – November/December 2020
- 6) Final (100%) signed and sealed for bidding and advertise – January 2021
- 7) February 2021 – Bid Opening
- 8) March 2021 – Construction
- d. Record Drawings/As Builts – Contractor/Surveyor/Utilities

12. Park Ave. Three Lane Configuration Project:

- a. Schedule: **On Hold**
- b. Costs to be divided between City/DOT/MPW
- c. Revised Preliminary Plans submitted to DOT
- d. Latest TPMS Development Letting Date: May 19, 2020

13. High Strength Waste Receiving Station Project:

Work comprises general construction of new high strength waste facilities including various pumps, piping, building mechanical systems, and electrical/control systems work in existing control building and tunnel system and within the existing digester control building at the Water Resource Recovery Facility. Work also includes modifications at the Muscatine Solid Waste Transfer and Recycling Center including plumbing, electrical, concrete modifications and paving.

Contractor: Leander Construction

Bid Amount: \$1,728,000

- a. 75% of work completed
- b. Piping rework and concrete trench underway at Transfer Station
- c. Piping work underway at Treatment Plan
- d. 80% of work completed on the Digester
- e. Requesting redesign of liquid waste receiving station
- f. Construction to be completed by January 30, 2020
 - 1) Dependent on Equipment Deliveries

14. Arbor Commons:

- a. City role limited: Inspecting public infrastructure (underground)
 - 1) Storm and sanitary sewers installed
 - 2) Water/electrical/communication being installed
 - 3) Gas being installed

- b. Brian Wolfe Jr. point of contact

15. South End Sewer District Study:

Siting of Regional Sewage Lift Station in the area surrounding US 61 and Grandview Ave

Design Firm: Martin Whitacre/Watersmith Engineering
Contractor Amount: \$24,000

- a. 61/Grandview
- b. September: Agreement approved
- c. Kickoff meeting September 17th
- d. GIS information Provided
- e. Need Memorandum of Understanding with MPW
- f. Complete study by December 31, 2019

16. Redundant Force Main Line: Musser Park – Water Resource Recovery Facility

- a. DNR/EPA mandate to be completed by 2026
- b. RFP final draft being prepared
- c. RFP to be distributed by October 18, 2019
- d. Qualifications due December 3, 2019
- e. Recommendation on December 19th

17. Cedar to Houser Trail Segment

- a. MPW approves using their r-o-w for trail route
- b. Project design submitted to City staff for cost estimate
- c. Request TAP funds to pay 80% of costs

18. Asphalt Overlay – Alleys

The Public Works Department Asphalt Overlays City Alleys and Streets yearly. Every year the Public Works staff submits a list of alleys and/or streets that needs to be asphalt over-layed. These alleys/streets meet certain criteria before being submitted to City Council for their approval.

Contractor: Taylor Ridge Paving

Contract Amount: \$96,799.10

- a. Construction Start: Postponed until Spring 2020
- b. Proposed Alleys:
 - 1) 400 Block of Busch Street
 - 2) Grover & Charles: New Hampshire to Hershey
 - 3) Salvation Army (Oregon & Illinois): Earl to Baker
 - 4) Bond & Bleeker: Grandview to Liberty
 - 5) Iowa & Sycamore: E. 9th to E. 10th
 - 6) Iowa & Sycamore: E. 10th to E. 11th

19. Lake Park Study & Drainage Design

- a. RFP Design request distributed in December 2019
- b. Proposals due January 2, 2020

2019 Projects:

- a. 2019/2020 Westside Trail
- b. West Hill Sewer Separation Project – IVB
- c. 2019/2020 Full Depth Patch Program
- d. City Hall Security
- e. High Strength Waste Receiving Station
- f. Arbor Commons Development
- g. Riverfront Demountable Flood Wall Study
- h. South End Sewer District Study
- i. Lake Park Study and Drainage Design
- j. Redundant Force Main Line

2020 Projects:

- a. 2nd Street Streetscape Project
- b. West Hill Sewer Separation Phase V Design
- c. West Hill Sewer Separation Phase IVC
- d. Park Ave. 3 lane configuration
- e. Riverside Park Development and Master Plan Implementation
- f. Grandview Ave. Reconstruction Project
- g. Asphalt Overlay – Alleys
- h. DOT Lake Park Facility Design
- i. 2nd/Mulberry Roundabout

j. West Hill Sewer Separation Project – IVC

Phase IVC work includes general construction of approximately 2,700' of new 8" sanitary sewer of Linn Street, West Eighth Street, Roscoe Avenue, Maiden Lane, West Ninth Street, and Iowa Avenue. In addition it includes approximately 200' of storm sewer on West Eighth Street. Water main replacement includes approximately 3,100' of new 6" through 10" main.

Contractor: KE Flatwork

Bid Amount: \$2,105,175.75

Construction Start: March 20, 2020

PMT Meeting: January 9, 2020

The next Project Management Team Meeting will be held on Wednesday, December 11th, at 8:30 a.m. in the Community Development Conference Room.

Analysis of Regional Economy

The CEDS Committee and stakeholders throughout the region went through an extensive Strengths, Weaknesses (referred to as Challenges in this document), Opportunities, and Threats (SWOT) exercise spanning four meetings throughout the entire region. Strengths are established qualities that are viewed as positively affecting economic development. Challenges are defined as ongoing items that may have a negative impact on economic development over a long period of time. Opportunities are identified as new or emerging items that will or could have a positive impact on economic development. Threats are items that have been identified with both ongoing and future effects that have a large, negative impact on economic development.

The first section contains updates to the Analysis of Regional Economy as previously reported in the 2018 CEDS Progress Report (2018 CEDS PR). The narrative sections of changes from threats and challenges to opportunities and strengths were updated to reflect the most recent data and local input. The second section includes regional priority topics that the CEDS Committee and stakeholders throughout the region reviewed and updated to ensure alignment with the region's needs.

Changed from Threat to Strength in 2017

- In the 2016 CEDS, the Committee identified Exelon's warning of a shutdown of the Cordova Nuclear Power Plant as a threat to the region. The region's local elected officials, state legislators, chambers of commerce, economic development professionals, and local businesses worked together to pass the 2016 Future Jobs Energy Bill that ensures the Cordova Nuclear Power Plant will remain open for at least 10 years past the legislation. However, the 2017 CEDS PR identified the desire to study the economic impact of changes in the energy sector in the region including the reduction in the use of coal, increased use of wind energy, and interest in the development of solar farms. Examples include the construction of 53 wind turbines near Woodhull, as well as potential solar farm sites in various Illinois communities. Many communities in the region are proactively seeking local solar development ordinances as opportunities for solar development become more prevalent. The Illinois Adjustable Block Program Lottery to determine eligibility for solar projects is scheduled for

April 10, 2019. Changing technologies and environmental regulations emphasize a need to examine energy's impact on the region's economy.

Changed from Threat to Opportunity in 2017

- The 2016 CEDS reported the Illinois Department of Juvenile Justice announced its plans to close the Illinois Youth Center in Kewanee as a threat to the region. In May 2016, the Illinois Department of Corrections announced plans to take over the facility, preserving the 238 jobs at the facility with the potential to add additional jobs in the future. While this change turned a threat into an opportunity, the shortage of housing for families visiting the inmates along with the potential to add these individuals to the workforce has been identified. In addition, the importance of life skills training for the inmates to reduce recidivism was recognized.

Changed from Challenge to Opportunity in 2017

- Work on a Chicago to Quad Cities passenger rail line has begun. The State of Illinois has received approval for an extension on the U.S. Department of Transportation \$177 million grant. At this time, there is no anticipated completion date for the rail line. Construction on The Q multi-modal station and Element Hotel on the passenger rail line was completed in early 2018. Completion of The Q multi-modal station and Element Hotel will create jobs in the region and will serve as a hub for future economic activity. Continued active support for the rail service itself will be important to ensure timely implementation.

Changed from Threat to Opportunity in 2018

- The 2018 CEDS Progress Report noted that historic tax credits were not available in Illinois, hampering the ability of Illinois communities to encourage historic redevelopment. In May 2018, legislation was passed to create a new State Historic Tax Credit (SHTC) program. This program provides a state income tax credit equal to 25% of a certified rehabilitation project's qualified expenses to the owners of certified historic structures. The program has the potential to encourage historic redevelopment throughout the region, which can spur economic development and re-

vitalization in downtowns and business districts. A similar program exists in Iowa and also allows a tax credit of up to 25% of qualifying rehabilitation expenditures associated with retaining the historical character of buildings.

Change from Opportunity to Strength in 2018

- The Interstate 74 Corridor reconstruction project, the largest public works project in the region's history, is underway. This project will create/retain 1,137 construction jobs and 643 induced jobs. Up to nine mainline I-74 construction contracts are anticipated with various supply and specialty contracts. Once the project is complete, it will add significant capacity for the freight movement, traffic, and bike/pedestrian use. It has already spurred development along the corridor. With the vacating of the right-of-way along the corridor, Moline and Bettendorf have supported housing, corporate headquarters, retail, and public space development and redevelopment. The I-74 construction has also led to upgrades to local utilities infrastructure in Bettendorf and Moline.

Change from Opportunity to Strength in 2018

- Mercer County Better Together is a civic engagement, community, and economic development strategic planning initiative for local governments and businesses in Mercer County. It has been funded through the Looser Flake Charitable Foundation. All 11 communities in the county have been participating. The planning process has unified the county around common goals, identified community leaders and assets, and created a plan of action to make Mercer County a better place to live and work. The \$41,000 invested in this effort has already been leveraged into \$1.1 million in additional development, including enhancements to parks and recreation facilities and supporting technology upgrades in schools. Key projects identified through the process may be leveraged in part by the Looser Flake Foundation. In 2018, Mercer County Better Together gained 501(c)(3) nonprofit status.

Challenges Identified in 2017

- Reliable high-speed internet access is inconsistent within the region. Urban areas have more access to high-speed internet, but smaller communities have indicated that the lack of reliable high-speed internet inhibits business growth and the attraction of young working professionals to their areas. Local governments and businesses are

working together to create a more robust high-speed internet network within the region. In addition, some new industries are seeking hundreds of strands of fiber for their operations. The amount of fiber once thought to be ample is less than adequate. Further, cryptocurrency (such as Bitcoin) users require significant energy, and even in the event this specific industry decreases, the trend toward initiatives such as this emphasizes the need to understand all of these issues more thoroughly.

- Workforce attraction continues to be a significant need for many sectors. An aging workforce and recruiting a younger workforce into entry-level positions in order to fill positions due to retirement is a challenge in the region. Attracting skilled medical professionals into the region and especially into rural areas has been a long-standing challenge, including specialists and nursing staff. There is also a strong need to attract workers with an education and career path that aligns with a skilled trade, such as electricians, plumbers, carpenters, and many more. Encouraging greater numbers of youth seeking post-secondary credentials of some kind would address this issue in part. Finally, economic mobility is also of concern. The ability of individuals to improve their economic status is important so the region captures all potential workers and individuals realize their potential.
- The retirement of small business owners with no one to purchase or continue their business has become a growing issue in the region, especially in smaller communities. With the region's aging population, the number of retirements continues to increase. Small business owners worry that they may have no one to continue their business or may even be unable to sell at all. As a result, this may lead to vacancies in the downtown and/or the fadeout of essential businesses. Any of the above scenarios can be detrimental to a smaller community and its residents.

Challenges Identified in 2018

- In 2015, Interstate 80 carried 46,700 vehicles per day in the Quad Cities Area. This is an increase of 32 percent from 2002. In addition, truck traffic is increasing in the Quad Cities at a greater rate than many other portions of Iowa. In the Quad Cities, trucks account for 37 percent of the traffic on I-80. Local representatives believe 6-laning of I-80 would allow for merging and weaving movements at interchanges and mitigate traffic issues related to the interface

of trucks and passenger vehicles. Recently, the Iowa DOT conducted an Interstate 80 System Study throughout the state. The study included an analysis of geometry, physical condition, traffic operation, and safety and improvement needs at the interchanges in the Bi-State Region and found that:

- 21 of 28 ramps are rated poor in safety due to crashes
- These crash rates are expected to increase
- The right shoulder of Interstate 80 is rated poor throughout the Quad Cities
- Reconstruction would eliminate left hand exits that don't meet current interstate design standards

The six-laning of I-80 to Iowa City has been identified as a long-range transportation need; work between Iowa City and West Branch has begun. The Iowa DOT is in the process of conducting an Environmental Assessment related to the widening of the I-80 corridor. A separate preliminary study was also conducted by both Illinois and Iowa DOTs for the I-80 Bridge over the Mississippi River. The I-80 Bridge study compared reconstruction to full replacement of the structure and determined full replacement was the preferred alternative with widening to six lanes. Both DOTs are now conducting a Planning and Environmental Linkages Study for the I-80 Bridge. Identified priorities will require future funding.

New Challenges in 2019

- The need to expand U.S. Route 61 to four lanes from Muscatine to Burlington has been identified. In early 2017, the Iowa DOT reported to the Highway 61 Coalition that the widening of the corridor would take approximately ten years. While sections of 61 south of the Bi-State Region have been expanded to four lanes, continued IDOT funding will be needed to continue work within the ten year timeline.
- Small cell phone tower development with little control from jurisdictions is creating potentially dangerous conditions and damaging existing infrastructure. Although such development can often provide higher speed internet services to customers, the impact on local infrastructure should be monitored.

Regional Priority Topics

Opportunities

- The Rock Island Arsenal (RIA) is the largest local employer in the region with 4,523 civilian, 1,051 military, 580 contractors, and induced employment impact of over 14,000 community jobs. Salaries average \$75,989, and the local economic impact is over \$1.2 billion per year. The RIA provides opportunities for state-of-the-art manufacturing, procurement, and service and supply contracts for local business. To help the RIA be more efficient, local governments are willing to extend potential partnerships with the Rock Island Arsenal and support cooperative agreements for services and commodities, including police and ambulance services, joint purchasing, exchange of water and sewer services, solid waste services, shared river access and use, tourism, and planning. Providing some of these services to the RIA would potentially keep the installation competitive during a Base Realignment and Closure Commission. In addition, the Garrison is working on a plan for the installation that will integrate the RIA with the larger Quad Cities community, adapting to a 21st century workforce, improving the quality of life, transforming the functionality of the installation, and focusing on infrastructure and sustainability. The recent completion of Army family housing, with two construction projects totaling over \$46 million, will provide 71 new homes and new infrastructure to improve the quality of life on Arsenal Island. Further, there is the potential for Quarters One and the golf course to be developed into a shared asset with the community through a request for proposal process to create an enhanced use lease arrangement with a private developer.
- Close proximity of multiple transportation modes gives the Bi-State Region an economic advantage over many similarly sized communities. Located at the crossroads of Interstates 74, 80, 88, and 280, the region offers residents and businesses abundant east-west and north-south access to major metropolitan areas. Waterborne commerce and recreation thrive along the region's 168-mile stretch of the Mississippi River. There is great potential for recreation, tourism, and industrial development.

- Financial institutions have substantial funds available to invest in area projects. Financial resources to assist businesses are further enhanced by public sector programs for leveraging private dollars, and loan guarantees at local, regional, state, and federal levels. Revolving loan fund programs, tax increment financing (TIF) districts, enterprise zones, and Small Business Administration programs are all available.
- The region has a highly productive, well-trained labor force with a strong work ethic. A cooperative attitude exists between labor and management. In addition, workforce training opportunities exist among multiple organizations. The Blong Technology Center set up training for Sterilite Manufacturing. Career connector and cruising programs provide a talent link for the healthcare, logistics, advanced manufacturing, and IT industries. Efforts to attract those who are underemployed are also occurring.
- Manufacturing technology partnerships are available to assist existing small and medium-sized manufacturers to implement plant automation and management techniques to improve their competitiveness and provide access to sophisticated manufacturing equipment. In addition, supply chain mapping is occurring to identify local suppliers for regional industries.
- A thriving local airport contributes to, and benefits from, a growing economy and prosperous region. The Quad City International Airport provides daily nonstop passenger flights to 11 cities. When more travelers buy and fly local from the Quad City International Airport, more air carriers consider this region when planning flight, aircraft, and destination expansions. The Quad City International Airport has been able to retain much of its ridership even during the economic downturn. The Fly Local Alliance has been created to encourage feedback from travelers in the area to help improve experiences at the airport and promote a calculation tool to encourage travelers to determine if any difference in airfare is truly worth spending valuable time, tolls, and parking by driving elsewhere. Enplanements for 2018 increased 7% from 2017, while the total number of passengers increased 6%.
- Technology initiatives in relation to transportation in the Bi-State Region has allowed increased connectivity throughout the region with more accessible transportation. In July 2015, Uber launched its services in the Quad Cities, introducing an app-based transportation network and taxi company to the region. In 2018, Uber expanded their service to include "Uber Eats," which provides food delivery from a large number of local restaurants. Similar to Uber, Lyft announced its Quad Cities launch date in February 2017. These services allow consumers to use a smart phone application to request service at an affordable fare and provide a more diverse transportation network.
- MetroLINK in the Illinois Quad Cities and Davenport CitiBus and Bettendorf public transit in the Iowa Quad Cities are using TransLoc Rider, an app for real-time route information. This allows passengers to track their bus in real-time and get accurate arrival predictions for all fixed-route systems in the Quad Cities. Passengers can set customized alerts and receive important system-wide notifications, allowing users to travel more seamlessly. MuscaBus in the City of Muscatine has implemented their fixed-routes on Google Maps, and those routes are now live. Further, Rock Island and Mercer Counties Rural Transit (RIM) along with River Bend Transit offer transit services in the rural portions of the Bi-State Region. The introduction and diversification of technology and transportation possibilities within the region allows for more accessible transportation to a wider user base, therefore allowing easier access to jobs within the region.
- The City of Muscatine has conducted a feasibility study for establishing a multi-modal container terminal port facility on the Mississippi River. Results of the study show that the site has access to the highway, is adjacent to an active rail line, and is near the industrial park. The site is also large enough for storage facilities and warehouse buildings. The city and Kent Corporation are exploring the interest of other corporations in using the multi-modal container terminal port facility if it were developed. It is felt that such a facility would open up transportation and freight opportunities for the entire region.
- Both Henry County and the Illinois Quad Cities were awarded Enterprise Zone designations by the Illinois Department of Commerce and Economic Opportunity for 2018. The Enterprise Zone designation is an important tool for economic development that allows sales tax exemptions for building materials and utility tax exemptions for high-energy users. During the past 15 years, the Kewanee-Henry County Enterprise Zone averaged in excess

of \$50 million per year in investment with 130 jobs created or retained. The application submitted by Henry County expanded the zone to include additional areas in and around Kewanee, Geneseo, Galva, Cambridge, Annawan, and other Henry County communities resulting in additional investment and job growth. The current Quad Cities Enterprise Zone estimated \$56,721,088 in total projects in 2017 with \$2,001,192 offered in sales tax exemption on building materials. These numbers are based on pre-project estimates, and are not final numbers.

- Merrill Hotel and Conference Center, a \$42 million investment in the City of Muscatine, opened in March 2018. The hotel and conference center will help fill a need for hotel and conference space within Muscatine and attract more visitors to Muscatine's downtown. The project is paired with the reconstruction of Mississippi River Boulevard and reconstruction of the HNI world headquarters. Further, the nearby recently reconstructed HNI administrative offices have been redeveloped into the Muscatine's Musser Public Library and HNI Conference Center.
- The City of Davenport's Transload Facility has an operator (Savage) under contract, and they are currently marketing the use of the facility. The facility has direct access to the CP Class 1 rail line, over 20 railcar storage areas and 20,000 square feet of indoor warehousing with indoor railcar/truck loading and unloading. Access to rail was helpful in attracting Sterilite. In 2017, the city determined the need to make modifications to the transload facility and short-line rail in order to accommodate increased traffic to appropriately serve Sterilite and future rail users in the Eastern Iowa Industrial Center. The total project costs \$4.5 million including \$2.2 million in EDA infrastructure funding.
- The governor of each state identified a certain number of census tracts that are eligible to receive private investment through a new federal program titled the Opportunity Zones Program. In the Bi-State Region, the census tracts designated as opportunity zones include two tracts in Rock Island County (both in the City of Rock Island), one tract in Henry County (a portion of Kewanee at the eastern edge of the county), two tracts in Scott County (both in Davenport), and two tracts in Muscatine County (both in the City of Muscatine). Census tracts designated as opportunity zones are low-income community census tracts with an individual poverty rate of at least 20% and median family income up to 80% percent of the area median. The implementation of opportunity zones has the ability to serve as an economic tool by reducing capital gains for developers who build projects within the opportunity zones. Communities with designated opportunity zones have begun to evaluate the potential for projects within those zones as more information about the program is released.
- Reconstruction of John Deere Road in Moline, a \$65 million project, was completed six months ahead of schedule in 2018. Upgrades to the existing infrastructure build capacity for future development along an already thriving corridor. On the Illinois side of the Bi-State Region, this corridor sees the highest concentration of vehicle traffic. The new construction also allowed for sewer and water lines to be improved along the corridor.
- The Bend, a 132 acre development area, has begun reshaping East Moline's riverfront. The \$40 million Hyatt House/Hyatt Place hotel and extended stay opened in late 2018. Further development plans include a 400-seat event center, the Riverbend Commons 72-unit apartment building, a new three-acre greenspace with bandshell, and retail strip. The mixed-use facilities of The Bend provide a unique opportunity to bring development to the region.
- Bettendorf and Davenport finalized an agreement with Metronet for a fiber internet buildout to be completed in the next three years. This upgraded utility will allow access to fast and reliable internet, making the area more desirable from a development perspective. Similar projects have been completed throughout the Bi-State Region. Muscatine Power and Water completed a fiber-to-home project in 2018, and Viola Home Telephone Company now provides fiber internet options to Viola and parts of Aledo.
- The mental health services industry has seen growth in the Quad Cities region. Eagle View Behavioral Health, a mental health hospital offering services for all ages, began construction in April 2018 in Bettendorf. The facility will bring valuable mental health programs to the entire region, as well as adding approximately 200 jobs. This will complement services already available through Genesis and Unity Point Health Systems.

Threats

- Rock Island Arsenal (RIA) Base Realignment and Closure (BRAC):
 - There is a possibility of a future BRAC that could negatively affect the RIA in 2021. The last BRAC in 2005 resulted in a loss of 1,100 jobs on the RIA. In addition, job loss can occur outside of a BRAC and affect other supporting industries. As an example, there was a decrease in workload at the Joint Manufacturing Technology Center due to budget reductions. Through a U.S. Department of Defense Economic Development Adjustment grant, a study of the economic effects of defense-related spending for a 10-county, two-state area (including the Bi-State Region) was commissioned. The study identified \$845 million of total defense-related and induced spending. This supported a total of 7,510 jobs, 5,170 of which were direct jobs (military and federal civilian jobs) and 2,340 were non-federal jobs (contractors and induced jobs). In 2019, Iowa passed legislation making it easier for professional licenses to transfer between states, which will aid military spouses in finding work in either Illinois and Iowa when being transferred to the Rock Island Arsenal. Illinois may consider similar legislation.
 - Legislation that enabled the Rock Island Arsenal Development Group to collect leases from tenants on the RIA and reinvest those funds in the Garrison sunsetted September 2017. This arrangement helped the RIA be more efficient in its operation by allowing lease revenues to remain in the region for building rehabilitation and utility improvements on the Arsenal Island. Legislation that would allow a similar arrangement is being sought for all Department of Defense (DOD) facilities. In addition, rules that would require the Department of Defense to use space they own prior to leasing expensive space elsewhere is being considered that would help all existing installations fill vacant buildings.
- The agricultural industry is still tenuous. According to the Congressional Research Service, “The outlook for lower net farm income and relatively weak prices for most major program crops signals the likelihood of continued relatively lean times ahead. The U.S. agricultural sector’s well-being remains dependent on continued growth in domestic and foreign demand to sustain prices at current modest levels. In addition to commodity prices, the financial picture for the agricultural sector as a whole heading into 2019 will hinge on both domestic and international macroeconomic factors, including interest rates, economic growth, and consumer demand.” While local indicators including increased production of farm implements demonstrate the outlook may be slightly improving, this challenge will continue to be tracked.
- The region has only limited availability of industrial park space and state-of-the-art industrial areas, particularly large-scale industrial sites served by rail. Spec buildings for industrial development are also desired. Sites that are pre-certified and development-ready are needed throughout the region, but will require millions of dollars to extend infrastructure and utilities.
- Increases in flood insurance premiums make living and conducting business in the floodplain a financial hardship. This creates a challenge for a large part of the region built before floodplains were delineated. This is exacerbated by proposed floodplain and floodway mapping revisions throughout the Bi-State Region. The proposed mapping revisions could remove some of the largest developable land sites in the Bi-State Region from use. In addition, it has made it impossible for some home owners to sell their property. The region is addressing these issues in multiple ways including construction and improvement to existing flood protection infrastructure, such as near the Muscatine industrial area and in Keithsburg, and purchasing/removing flood prone homes. Further, hazard mitigation plans have or are being updated to include these important projects.
- Bi-State Regional Commission has begun an Extreme Weather Resilience Assessment Project, aimed at conducting a vulnerability assessment and determining strategies to mitigate effects of extreme weather in the Quad Cities, Iowa/Illinois metropolitan planning area (MPA) to the multi-modal transportation system. This project will steer extreme weather hazards planning toward shaping a more resilient and durable Quad Cities transportation system and determine strategies to mitigate near-term and long-term effects of extreme weather events that can be incorporated in the 2050 Long Range Transportation Plan (March 2021)

- Aging infrastructure continues to present challenges to local governments and at a regional level. Governments have been working to repair and replace aging water and sewer lines, while locks and dams, I-80, Centennial Bridge, and railroad crossings over the Mississippi River are all facing functional and/or capacity concerns and the need for replacement. While the federal Infrastructure for Rebuilding America (INFRA) program has been implemented, it will not meet all of these needs. Local governments are faced with raising taxes to address water, sewer, and road repairs, which have an even greater impact on smaller rural communities.
- The revitalization and upkeep of the downtown area for smaller communities has become problematic for some due to a lack of funding. There are no funding programs to assist communities in demolishing dilapidated commercial buildings leaving blighted areas in their business districts. While some facade grants have been received for a few downtown areas in the Iowa portion of the region, the program is very competitive, and a similar program is not offered in Illinois. With insufficient funding, many smaller communities are not able to provide the required updates to the downtown buildings and infrastructure, which affects the aesthetic component of the downtown area, making it difficult to retain and attract long-term businesses.
- In 2018, Congress passed a tax reform bill. Legislators from both the States of Iowa and Illinois are expected to respond to changes to income and or property taxes in their respective states. In addition, Iowa passed a commercial property tax cut in 2013, but has been providing “backfill” funding to partially address the loss of revenue to local governments. In May 2018, legislators approved a bill to gradually eliminate these state “backfill” payments to local governments, which could have a negative effect on cities and counties who could be forced to increase property taxes.

In Illinois, the 2017 budget was passed with a 32 percent income tax increase and a two percent administrative fee on locally-imposed sales taxes. Looking into fiscal year 2020, there are projected to be further income tax increases to help balance the budget deficit. In addition, the state takes 10 percent of the income tax sent to municipalities and has swept a portion of the local government share of Motor Fuel Taxes. With the potential

need for local governments to increase property taxes to cover these funding losses, property tax freezes may be imposed by the state legislature. If property taxes are allowed to increase, it is recognized that this hampers the ability to effectively participate with neighboring states in economic development opportunities.

- The development of adequate housing at both market rate and affordable rates has become a challenge for some communities. Communities recognize that they need to offer a diverse housing stock to cater to more individuals and families, but the development of housing is not always cohesive with population growth or the types of residents. There is also a shortage of housing for workers who are being recruited to various industries in the region. As the population ages, housing, such as condominiums, needs to be supplied to allow for the transition of existing housing to new families.
- Although this issue is currently identified as a challenge, some communities have already begun taking proactive steps toward reversing the challenge. The City of Muscatine completed a Housing Market Demand Study in September 2017 and has supported three housing developments: Arbor Commons, Hershey Apartments, and Oak Park. Ke-wanee has identified that they need to conduct a housing study and are in the early stages of coordinating such an effort. West Liberty has also partnered with We Lead and has begun to conduct stakeholder meetings to discuss their community’s housing issues and a strategic plan moving forward. Atkinson has developed a subdivision at Westview Estates, having sold five lots in the last year. Similarly, Coal Valley has made significant improvements to the Candlelight Mobile Home Park, allowing for increased capacity.

Threat/Opportunity

- Kraft-Heinz will remain in the region through the construction of a new plant in northern Davenport, and the originally-projected retention of 500 jobs has been increased to 745. The current plant employs approximately 1,400 people, resulting in a job loss of 655 jobs.
- Tariffs imposed on steel and aluminum in 2018 have potential to affect the regional economy. The ripple effect of changes to steel and aluminum prices should be monitored in relation to regional metal manufacturing.

- In February 2019, Illinois passed a bill to gradually raise the state minimum wage to \$15 per hour by 2025. Minimum wage will rise to \$9.25 on January 1, 2020 and will continue a gradual yearly increase until \$15 per hour in 2025. The bill also includes tax credits for businesses with fewer than 50 employees, as well as conditions for paying workers under 18 a lower minimum wage (\$8 per hour as of January 1, 2020 with a cap of \$13 per hour). Despite the efforts to minimize effects on small businesses, the effect on the regional economy has the potential to be significant, given the projected differences in state minimum wages between Illinois and Iowa. It will be important to analyze the effects on labor force and overall economic impact on the Bi-State Region as the gradual wage increases occur.